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Statement on Tax Year 2020 Individual Income Tax Reductions under 2019 Wisconsin Act 10

MADISON – The Wisconsin Department of Revenue (DOR) announced an estimated \$256.4 million in tax relief for Wisconsin taxpayers as the result of 2019 Wisconsin Act 10, legislation authored by Representative Jessie Rodriguez and Senator Dale Kooyenga.

"This DOR estimation of \$256.4 million in tax relief for Wisconsinites is great news for our lower and middle income families. I am proud to have worked with Senator Dale Kooyenga and DOR Secretary Peter Barca on this bipartisan legislation," said Rodriguez.

The legislation came as the result of the United States Supreme Court ruling in *South Dakota v. Wayfair* in 2018, which expanded the state's authority to require out-of-state retailers and marketplace providers to collect and remit sales and use tax.

The state expects a \$257.3 million increase in sales and use tax collections between October 1, 2019 and September 30, 2020. That revenue will be used to reduce income tax rates for tax year 2020 for the two lowest tax brackets, from 4.00% to 3.54% and from 5.21% to 4.65%, respectively.

"This year has been especially challenging for the members of our communities, so I am glad to see how our efforts last year are delivering for Wisconsinites," concluded Rodriguez.

More information on the DOR certification for individual income tax rates for tax year 2020 can be found in the memo published by the nonpartisan Legislative Fiscal Bureau (LFB) entitled, *Tax Year 2020 Individual Income Tax Reductions Under Wisconsin Act 10*.

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